

North Carolina Turnpike Authority

NCTA Finance Committee Meeting

April 21, 2021



Opening Comments

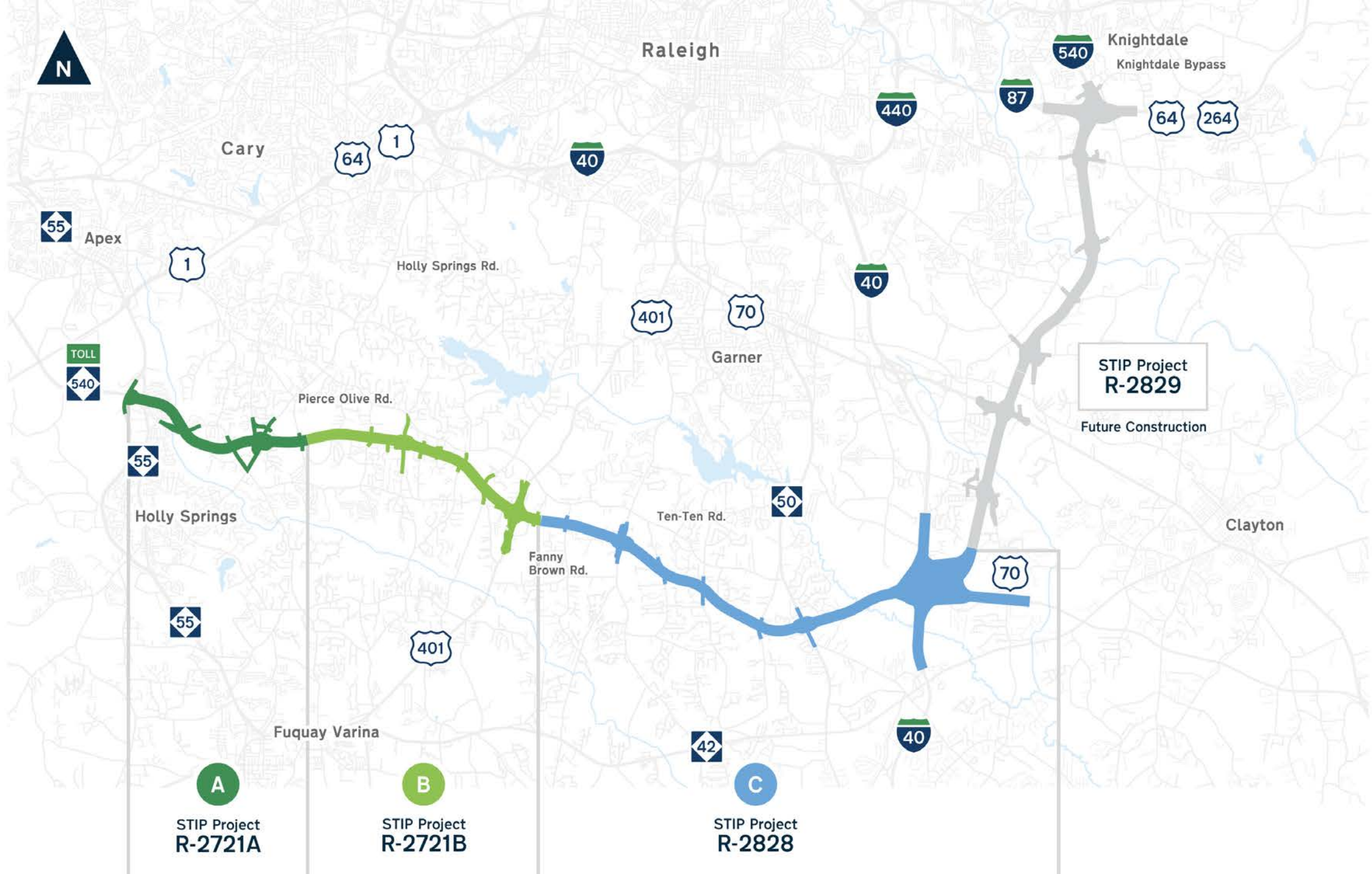
J.J. Eden
Executive Director

February Statistics

- Triangle Expressway
 - Transactions: 3.57 million
 - Revenue: \$3.01 million
- Monroe Expressway
 - Transactions: 2.58 million
 - Revenue: \$1.78 million
- Transponders
 - Over 12,200 distributed
 - Over 952,500 distributed program-to-date as of February 28, 2021

Complete 540 Construction Update

Dennis Jernigan, P.E.
Deputy Chief Engineer for Highway Operations



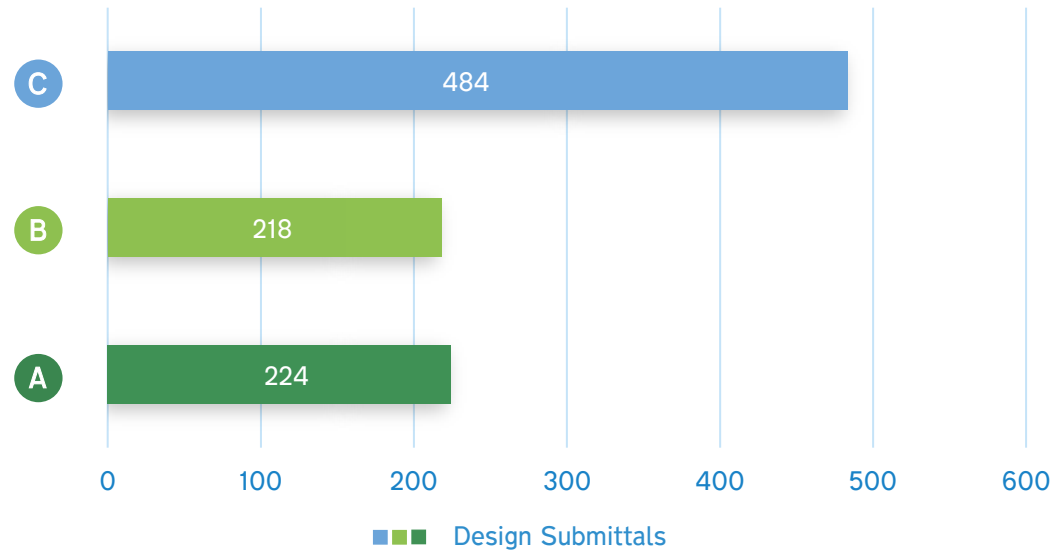
A
STIP Project
R-2721A

B
STIP Project
R-2721B

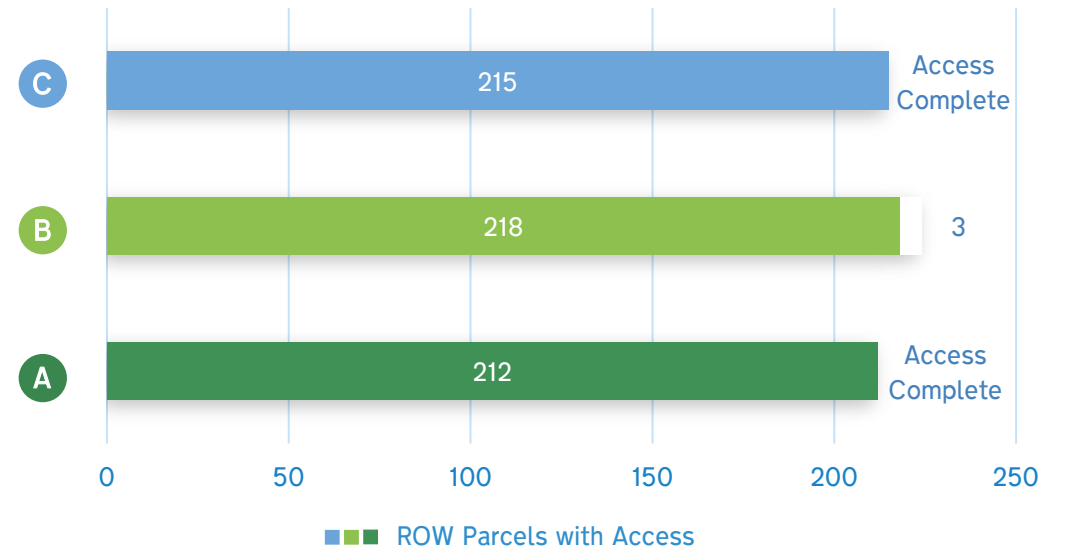
C
STIP Project
R-2828

STIP Project
R-2829
Future Construction

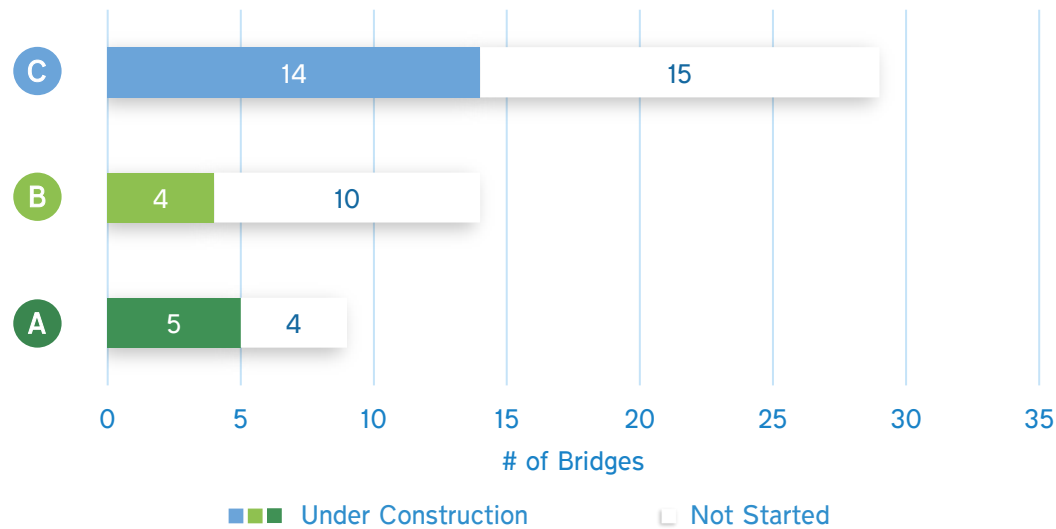
DBT Design Submittals



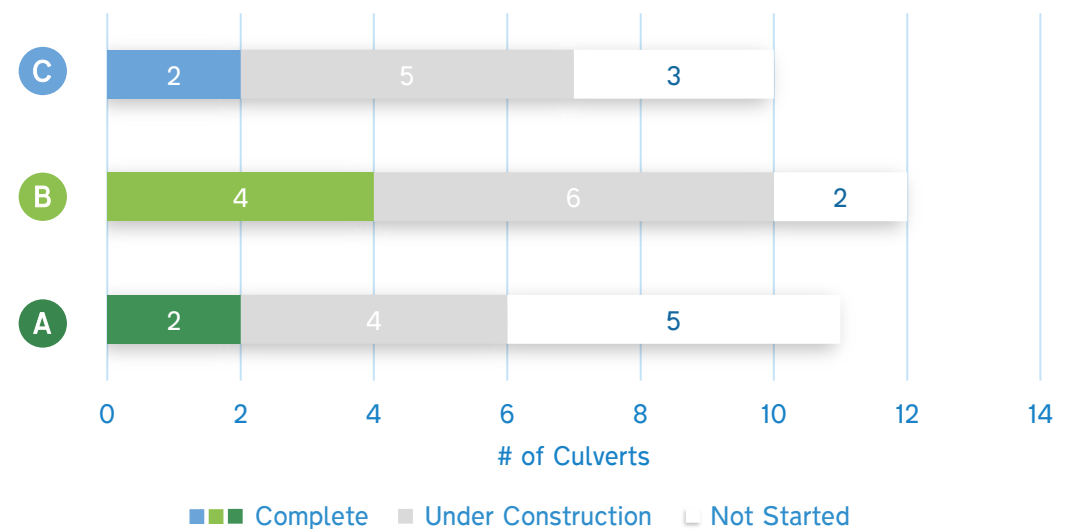
ROW Access Status

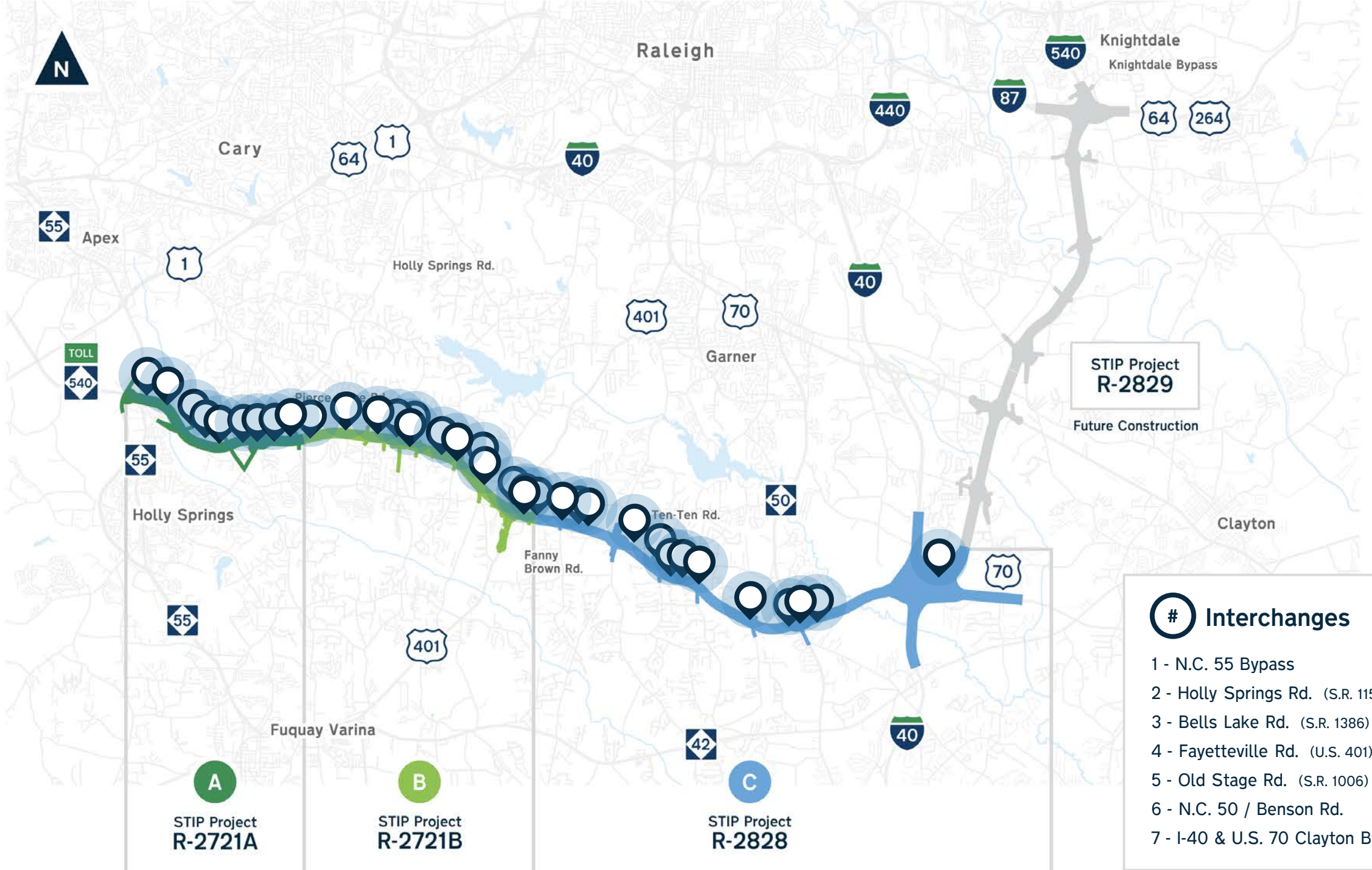


Bridge Construction



Culvert Construction























Grissom Rd

Squires Rd

Jordan Rd

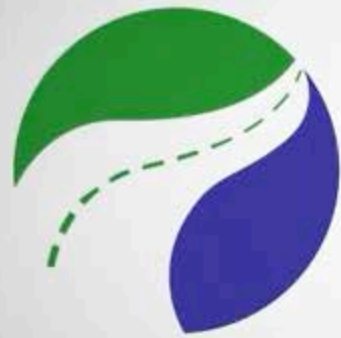
EXIT 39

50

Benson Rd
3/4 MILE

54





NORTH CAROLINA

Turnpike Authority

Community Outreach

Complete 540 Outreach



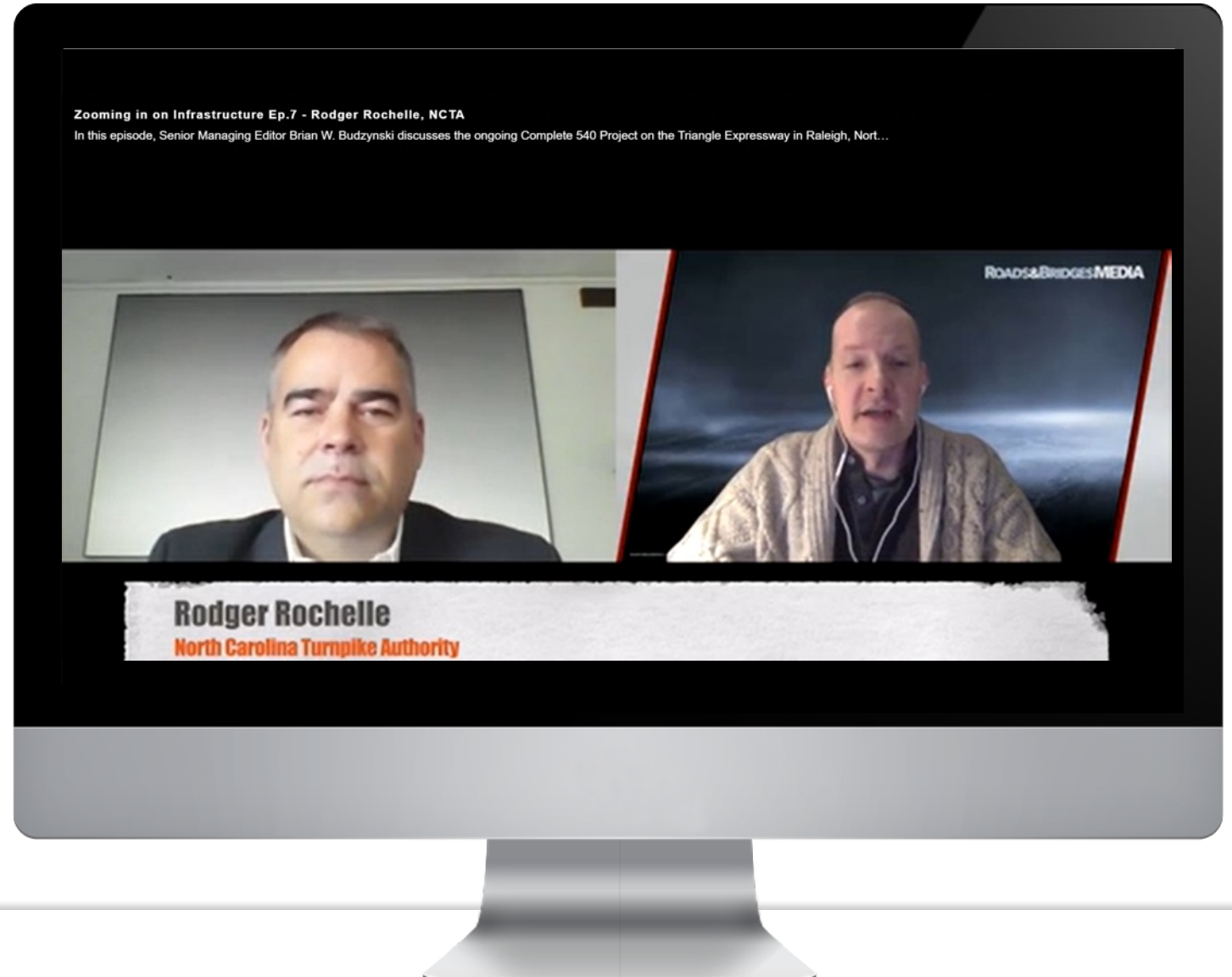
Virtual Meetings

Resident Communications

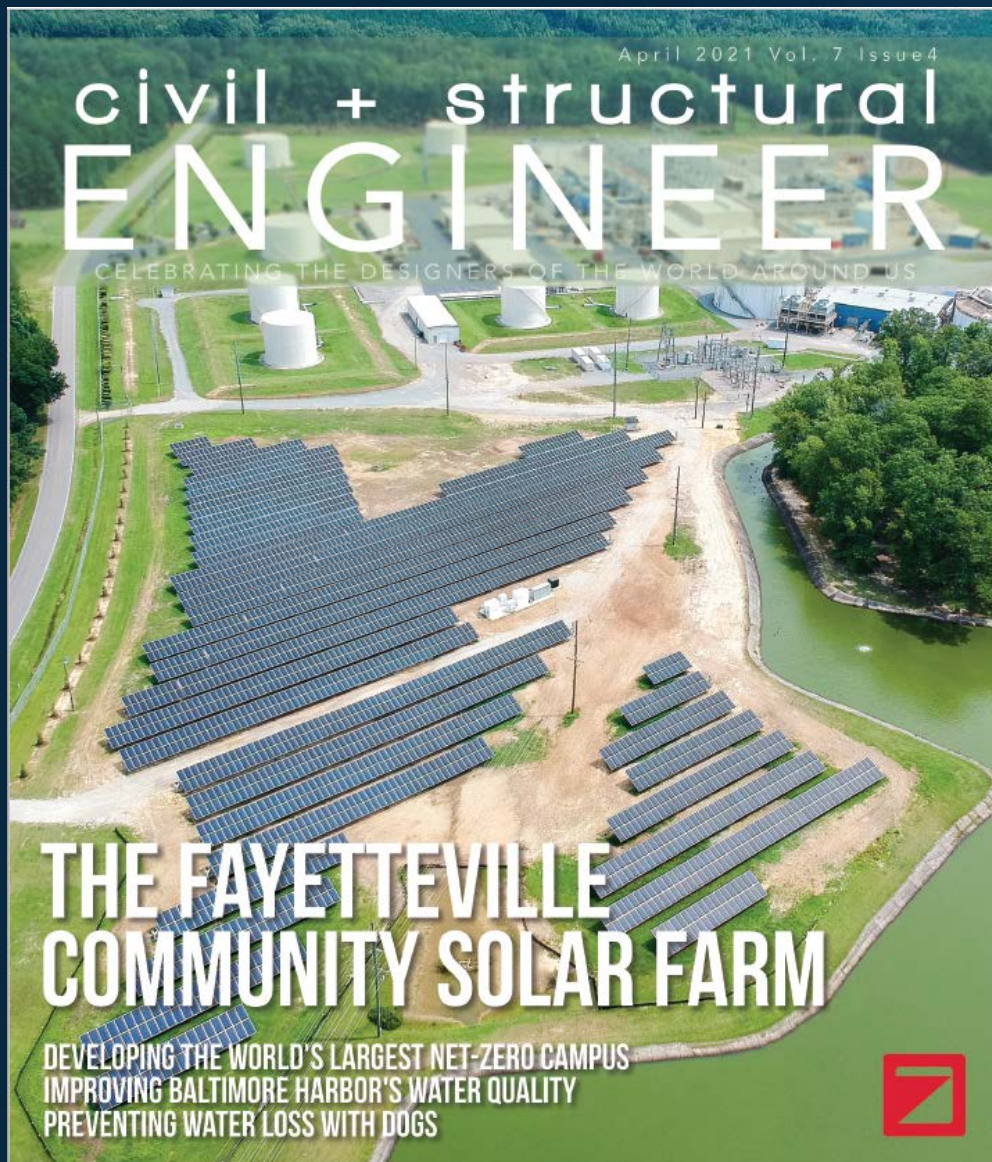
Clayton Chamber, Raleigh Realtors, CAMPO Updates

Zooming in on Infrastructure Ep.7

Rodger Rochelle of the North Carolina
Turnpike Authority Talks Complete 540



January 19, 2021



INNOVATIVELY TACKLING RALEIGH'S BOLD, AMBITIOUS 'COMPLETE 540'

By Rodger Rochelle

EARLY ON, it became apparent that the accelerated delivery of the Complete 540 project in Raleigh, N.C., would require a decidedly different approach. The litany of studies and approvals needed to move the project forward would take far too long for the aggressive timeline proposed by then North Carolina Department of Transportation Secretary Jim Trogdon.

Complete 540 comprises an additional 29 miles of the 70-mile I-540 outer loop around Raleigh and is the North Carolina Turnpike Authority's most significant project to date. Funded primarily by a U.S. Department of Transportation loan and toll revenue bonds, Phase 1 comprises 18 miles of the loop currently under construction and is being delivered under three design-build contracts. Once those sections are opened in 2023, only Phase 2 will remain as the final link for closing the loop.

From the beginning, Phase 1 has been a colossal endeavor, requiring the acquisition of 650 parcels of land, extensive environmental assessments, studies and proposals, and an unparalleled level of collaboration between team members, government officials, and the community at large.

NCTA's initial task was finding a way to expedite the NEPA environmental documentation work, particularly in light of the number of reviews needed for the Final Environmental Impact Statement (EIS). Typically, the process takes months and requires multiple reviews and iterations before even being sent to the Federal Highway Administration for approval, creating a challenge for the project's schedule.

To streamline the process, the NCTA team chose to tackle the problem from several angles. Initially, we shared applicable sections of the EIS with the appropriate subject matter experts and review partners as each was completed.

Then, in October 2017, we invited everyone to Raleigh for a three-day work session, during which all comments were discussed and many changes to the EIS were made "on the fly," either in the same room or by phone. It was an unprecedented approach for NCTA, and for the state. By working in a robust, collaborative and concurrent review manner, the group completed the process with extraordinary speed, and the approval of the Final EIS took a couple of weeks, not months.

Multi-Tasking In a Big Way

Upon approval of the Final EIS in early 2018, the NCTA began overlapping other activities to further streamline the schedule. As we prepared the Record of Decision, we completed the traffic and revenue studies needed to finance the project. As we procured design-build contracts

TRANSPORTATION + INFRASTRUCTURE



Construction on the Complete 540 project in Raleigh, NC

for roughly \$750-800 million that summer, we continued work to solidify financing and simultaneously collaborated with interested parties to settle a legal challenge to the project.

NCTA also began the utility coordination process before bidding, rather than giving the entire task to the design-builders after awarding the contracts. Inviting all potential bidders to the early meetings ensured that all design-builders were fully involved and aware of how their designs might affect relocations. It paid off in the end, as it minimized the uncertainty and risk in the job's schedule and cost.

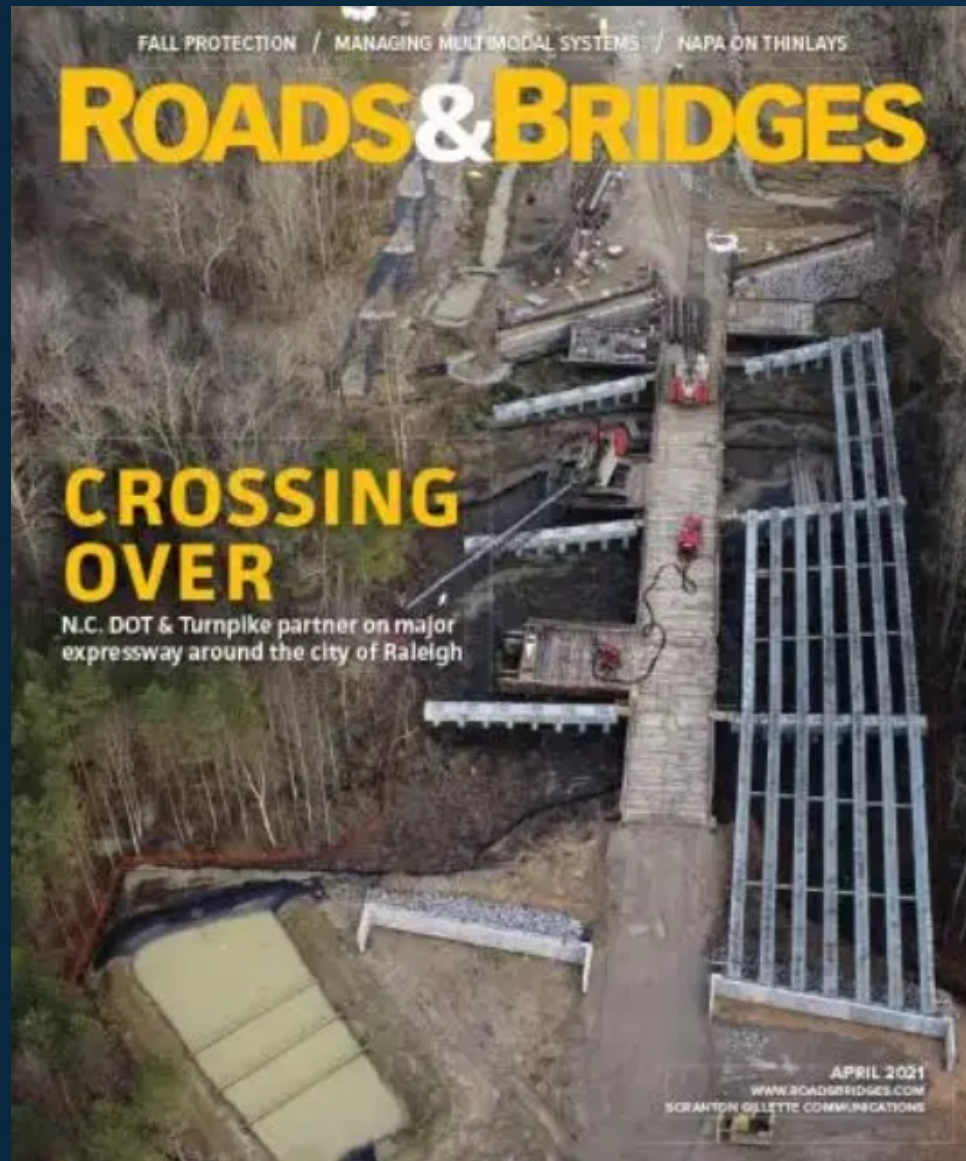
This was particularly helpful on Phase 1, where numerous utility suppliers crisscrossed the corridor creating many dozens of utility conflicts and tens of millions of dollars in relocations. Most significantly, underground fuel lines operated by Colonial Pipeline conflicted with the route in eight different places. They weren't alone, as there were several other utilities with similar conflicts – electrical distribution and transmission, cable, phone, and gas lines.

Elsewhere, environmental issues identified in the EIS posed their own challenges to the schedule. There were endangered aquatic species – salamanders and mussels – in the creeks that fell directly in the corridor's path. That required a U.S. Fish and Wildlife Service biological opinion and mitigation plan, followed by the identification and relocation of the mussels immediately before nearby construction activity.

As an additional measure, NCTA committed to providing \$8 million in long-term funding for the design, construction and long-term operations of a mussel propagation facility in coordination with the North Carolina Wildlife Resource Commission and North Carolina State University. The facility will test and develop methods for propagating mussels in the lab, then re-introduce them into their native habitat.

There was also some required data recovery (artifact collection) at select archeological sites, per the North Carolina State Historic Preservation Office, in collaboration with the Catawba Indian Nation.

NCTA also took a proactive approach to the project's aggressive Disadvantaged Business Enterprise (DBE) goals. The DBE contracts amount



TOP STORY

HIGHWAY CONSTRUCTION

NORTH CAROLINA TURNPIKE'S COMPLETE 540 PROJECT WILL BRING THE TRIANGLE EXPRESSWAY FULL CIRCLE

In December 2012, the North Carolina Turnpike Authority (NCTA) opened the six-lane, 18.8-mile Triangle Expressway. The state's first modern, all-...

APRIL 01, 2021

[READ MORE](#)

Complete 540 Spend Update

Travis Feltes, P.E.
Project Engineer

Plan of Finance Cost Tracking

	DESCRIPTION	Cost Estimate (\$M)	Spent as of March 31, 2021	% of Budget Spent
R-2721A	Construction	\$ 185.85	\$ 69.80	<div><div></div></div> 38%
	Toll Integration	\$ 3.96	\$ -	<div><div></div></div> 0%
	Landscaping	\$ 2.67	\$ -	<div><div></div></div> 0%
	Right of Way	\$ 91.19	\$ 74.28	<div><div></div></div> 81%
	Utilities	\$ 18.41	\$ 11.64	<div><div></div></div> 63%
	Agency Costs:	\$ 38.96	\$ 6.77	<div><div></div></div> 17%
	PROJECT SUB-TOTAL	\$ 341.04	\$ 162.50	<div><div></div></div> 48%
R-2721B	Construction	\$ 162.71	\$ 54.89	<div><div></div></div> 34%
	Toll Integration	\$ 6.98	\$ -	<div><div></div></div> 0%
	Landscaping	\$ 2.32	\$ -	<div><div></div></div> 0%
	Right of Way	\$ 90.56	\$ 78.97	<div><div></div></div> 87%
	Utilities	\$ 16.55	\$ 10.73	<div><div></div></div> 65%
	Agency Costs:	\$ 42.98	\$ 6.07	<div><div></div></div> 14%
	PROJECT SUB-TOTAL	\$ 322.10	\$ 150.66	<div><div></div></div> 47%
R-2828	Construction	\$ 385.87	\$ 116.78	<div><div></div></div> 30%
	Toll Integration	\$ 10.30	\$ -	<div><div></div></div> 0%
	Landscaping	\$ 5.84	\$ -	<div><div></div></div> 0%
	Right of Way	\$ 77.62	\$ 42.64	<div><div></div></div> 55%
	Utilities	\$ 48.35	\$ 19.86	<div><div></div></div> 41%
	Agency Costs:	\$ 104.61	\$ 20.18	<div><div></div></div> 19%
	PROJECT SUB-TOTAL	\$ 632.59	\$ 199.46	<div><div></div></div> 32%
TOTAL	Construction	\$ 734.43	\$ 241.47	<div><div></div></div> 33%
	Toll Integration	\$ 21.24	\$ -	<div><div></div></div> 0%
	Landscaping	\$ 10.83	\$ -	<div><div></div></div> 0%
	Right of Way	\$ 259.37	\$ 195.88	<div><div></div></div> 76%
	Utilities	\$ 83.31	\$ 42.23	<div><div></div></div> 51%
	Agency Costs:	\$ 186.55	\$ 33.03	<div><div></div></div> 18%
	PROJECT COST FOR FINANCING	\$ 1,295.73	\$ 512.62	<div><div></div></div> 40%

Right of Way Cost Update

Project	ROW Budget Amount (\$M)	ROW Spent to Date (\$M)	Percent Spent	ROW Remaining (\$M)	Percent Remaining
R-2721 A	\$91.19	\$74.28	81%	\$16.91	19%
R-2721 B	\$90.56	\$78.97	87%	\$11.59	13%
R-2828	\$77.62	\$42.64	55%	\$34.98	45%
Total	\$259.37	\$195.89	76%	\$63.48	24%

As of March 31, 2021

Status of Map ACT Parcels

	R-2721 A	R-2721 B	R-2828	Total
Settled/Condemned Map ACT	27	53	37	117
Non-Settled Map ACT*	0	4	4	8
Total	27	57	41	125
*5 out of 8 remaining Map Act Parcels have Temporary Construction Easements (TCE's)				

	Cost
Settled/Condemned Map ACT Total Cost	\$1 33,090,285
Remaining Condemned Map ACT Cost	\$40,922,625
Estimated Non-Settled Map ACT Cost	\$4,153,800
Total	\$178,166,710

Contingencies

Contingency Item	Plan of Finance Budget
Third Party Delay Contingency	\$1 9,860,000
Contingency & Reserves	\$1 2,950,000
Fuel & AC Reserves	\$5,250,000
Total	\$38,060,000

Project	Supplement Budget	Supplemental Agreement Total	% Spent	AC/Fuel Adjustment	Amount Remaining	% Remaining
R-2721 A	\$1 2,829,200	\$2,1 28,91 9	<div><div></div></div> 17%	\$37,556	\$1 0,737,837	<div><div></div></div> 83%
R-2721 B	\$1 2,527,400	\$5,045,876	<div><div></div></div> 40%	\$37,777	\$7,51 9,301	<div><div></div></div> 60%
R-2828	\$28,470,600	\$6,1 38,088	<div><div></div></div> 22%	\$236,438	\$22,644,283	<div><div></div></div> 79%
Total	\$53,827,200	\$1 3,31 2,883	<div><div></div></div> 25%	\$31 1,771	\$40,51 4,31 7	<div><div></div></div> 75%

Quarterly Cash Flow

Actual & Anticipated Expenditures For Construction of R-2721A, R-2721B and R-2828

Actuals

	DESCRIPTION\YEAR	Cost Estimate (\$M)	As of	Apr-Jun 21	Jul-Sept 21	Oct-Dec 21	Jan-Mar 22	Apr-Jun 22	Jul-Sept 22	Oct-Dec 22	Jan-Mar 23	Apr-Jun 23	FY24
			March 31, 2020	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	
R-2721A	Construction	\$185.82	\$69.80	\$12.67	\$12.63	\$12.84	\$12.23	\$12.84	\$12.63	\$40.18	\$0.00	\$0.00	\$0.00
	Toll Integration	\$3.96	\$0.00	\$0.24	\$0.18	\$0.18	\$0.36	\$0.48	\$0.83	\$0.83	\$0.48	\$0.38	\$0.00
	Landscaping	\$2.67	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.34	\$1.33	\$0.00	\$0.00
	Right of Way	\$91.19	\$74.28	\$5.48	\$3.00	\$3.00	\$3.00	\$2.43	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Utilities	\$18.41	\$11.64	\$3.38	\$3.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Agency Costs:	\$38.70	\$6.77	\$2.27	\$2.39	\$2.27	\$2.41	\$2.60	\$2.76	\$2.52	\$2.52	\$7.70	\$4.48
	PROJECT SUB-TOTAL	\$340.75	\$162.50	\$24.04	\$21.59	\$18.29	\$18.00	\$18.35	\$16.22	\$44.87	\$4.33	\$8.08	\$4.48
R-2721B	Construction	\$162.71	\$54.89	\$9.34	\$11.70	\$22.99	\$7.30	\$19.41	\$4.91	\$32.19	\$0.00	\$0.00	\$0.00
	Toll Integration	\$6.98	\$0.00	\$0.42	\$0.31	\$0.31	\$0.63	\$0.84	\$1.47	\$1.47	\$0.84	\$0.69	\$0.00
	Landscaping	\$2.32	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.16	\$1.16	\$0.00	\$0.00
	Right of Way	\$90.56	\$78.97	\$2.72	\$2.44	\$2.72	\$2.72	\$1.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Utilities	\$16.55	\$10.73	\$3.23	\$2.59	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Agency Costs:	\$42.98	\$6.07	\$2.10	\$2.21	\$2.10	\$2.22	\$2.32	\$2.59	\$2.38	\$2.31	\$6.56	\$12.12
	PROJECT SUB-TOTAL	\$322.10	\$150.66	\$17.81	\$19.25	\$28.12	\$12.86	\$23.57	\$8.97	\$37.20	\$4.31	\$7.25	\$12.12
R-2828	Construction	\$385.87	\$116.78	\$22.77	\$31.10	\$33.76	\$25.94	\$30.45	\$40.28	\$19.47	\$12.85	\$52.47	\$0.00
	Toll Integration	\$10.30	\$0.00	\$0.52	\$0.26	\$0.26	\$1.03	\$1.03	\$2.06	\$3.35	\$1.13	\$0.67	\$0.00
	Landscaping	\$5.84	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.92	\$2.92	\$0.00	\$0.00
	Right of Way	\$77.62	\$42.64	\$7.76	\$6.50	\$6.20	\$6.00	\$5.00	\$2.32	\$1.20	\$0.00	\$0.00	\$0.00
	Utilities	\$48.35	\$19.86	\$13.50	\$10.00	\$4.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Agency Costs:	\$104.61	\$20.18	\$5.78	\$6.04	\$6.72	\$5.98	\$6.24	\$6.59	\$6.07	\$7.57	\$6.00	\$27.44
	PROJECT SUB-TOTAL	\$632.59	\$199.46	\$50.33	\$53.90	\$51.93	\$38.95	\$42.72	\$51.25	\$33.01	\$24.47	\$59.14	\$27.44
PROJECT COST FOR FINANCING		\$1,295.44	\$512.62	\$92.17	\$94.73	\$98.34	\$69.81	\$84.64	\$76.44	\$115.08	\$33.11	\$74.47	\$44.04

Note: Totals may not sum due to rounding.

Monroe Expressway Refunding Update

David Roy

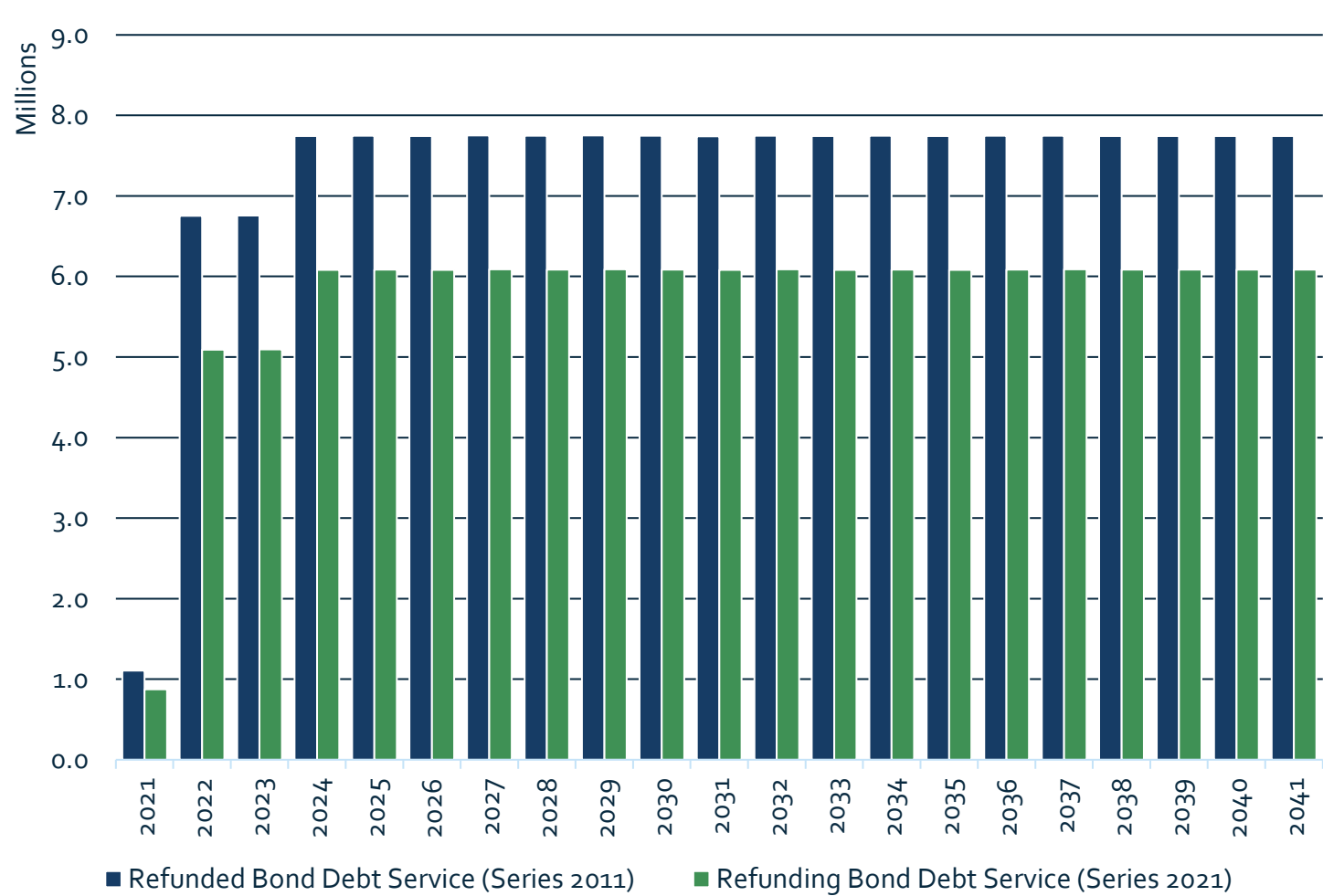
Director of Finance & Budget

\$73,985,000 Monroe Expressway System Appropriation Revenue Refunding Bonds, Series 2021 (Forward Delivery)

- Purpose of Issue
 - Forward Refunding of Series 2011 Bonds maturing 2022 through 2041 for debt service savings
 - A forward refunding allowed NCTA to lock-in tax-exempt rates in advance of the bonds tax-exempt refunding eligibility resulting in an incremental NPV benefit of over \$2 million
- Structure
 - Publicly offered bonds sold on November 19, 2020 and closed on April 6, 2021
 - Citigroup Global Markets Inc. served as Senior Underwriter
 - All-in True Interest Cost of 2.20%
 - Interest is paid semiannually on January 1 and July 1 and principal is paid annually on July 1 in the years 2022 through 2041
 - Bonds are callable at par beginning July 1, 2031
- Refunding Results
 - Net Present Value Savings of \$29.27 million or 30.8% of refunded par
 - Annual cash flow savings average \$1.66 million

*Savings are net of issuance costs

\$73,985,000 Monroe Expressway System Appropriation Revenue Refunding Bonds, Series 2021 (Forward Delivery)



Cost of Issuance	Amount
Bond Counsel Fee	145,000
Underwriters' Counsel Fee	85,000
Ratings/S&P	51,750
Ratings/Fitch	50,000
Ratings/Moody's	48,000
Trustee/Registrar/Paying Agent	9,000
Trustee Counsel	7,500
Escrow Agent	2,000
Escrow Structuring	2,500
Printing/Mailing/Shipping	5,000
LGC Fee	12,500
Miscellaneous	6,045
Financial Advisor Fee	63,801
Total	488,096

Underwriter's Discount	Amount
Average Takedown	147,970
CUSIP Fee	1,027
DTC Fee	800
Internet Roadshow	2,000
lpreo	7,493
Dayloan	1,342
Total	160,631

FY 2022 Budget Overview

Kim Medlin
Controller

FY 2022 Budgets

Department Overview

Finance

- NCTA & Consultant Labor, Professional Services supporting NCTA's Financial Management, and NCDOT System Charges

Highway Operations

- NCTA & Consultant Labor, Routine Maintenance, and TMC Staffing

Service & Safety Patrol

- Highway Patrol and IMAP

Toll Operations

- NCTA & Consultant Labor, Utilities, RTCS & ETCS Maintenance, and BOS Maintenance

Customer Service

- NCTA & Consultant Labor and CSC Staffing & Facility Costs

Public Affairs

- NCTA & Consultant Labor and Marketing

Administrative

- NCTA Labor & Travel and NCTA Supplies & Materials

FY 2022 Budgets

Triangle Expressway

Operations & Maintenance		
Department	Budget	Change from FY 2021
Finance	\$866,468	-15.3%
Highway Operations	3,040,194	2.8%
Service & Safety Patrol	265,000	0.0%
Toll Operations	8,352,399	-4.3%
Customer Service	7,172,401	-8.9%
Public Affairs	360,507	7.3%
Administrative	425,000	0.0%
Total	\$20,481,969	-5.2%

Renewal & Replacement	
Department	Budget
Finance	\$357,832
Highway Operations	8,002,000
Toll Operations	6,513,600
Total	\$14,873,432

Major FY22 R&R Activities include:

- Re-sheeting Signs
- Removing and Replacing Markings and Lenses
- RTCS Retrofit

FY 2022 Budgets

Monroe Expressway

Operations & Maintenance		
Department	Budget	Change from FY 2021
Finance	\$686,161	-5.6%
Highway Operations	2,692,650	8.9%
Service & Safety Patrol	634,520	16.5%
Toll Operations	6,849,595	6.4%
Customer Service	3,380,974	9.1%
Public Affairs	394,616	-1.2%
Administrative	412,500	0.0%
Total	\$15,051,017	6.8%

Renewal & Replacement	
Department	Budget
Finance	\$42,944
Highway Operations	910,000
Toll Operations	1,792,500
Total	\$2,745,444

Annual Budget Report



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

North Carolina Turnpike Authority

North Carolina

For the Fiscal Year Beginning

July 1, 2020

Christopher P. Morill

Executive Director

Contact Us



ncdot.gov/turnpike



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ncquickpass.com

[@NC_QuickPass](https://twitter.com/NC_QuickPass)



Thank you!